

# SENATE BILL 341

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11r1050

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By: **Senators Frosh, Raskin, Currie, Forehand, King, Madaleno, Manno, Montgomery, Peters, Pinsky, and Ramirez**  
Introduced and read first time: February 2, 2011  
Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Gas Companies and Electric Companies – Service Quality and Reliability**  
3 **Standards**

4 FOR the purpose of requiring the Public Service Commission to establish certain  
5 service quality and reliability standards for gas companies and electric  
6 companies; providing for the application of regulations adopted under this Act;  
7 requiring the standards to include certain benchmarks; requiring the  
8 Commission to use certain national standards to the extent feasible; authorizing  
9 the Commission to require gas companies and electric companies to supply  
10 certain data for certain purposes; requiring gas companies and electric  
11 companies to file a certain annual report with the Commission containing  
12 certain information; authorizing the Commission to impose a certain penalty  
13 against a gas company or an electric company that fails to meet certain  
14 standards; prohibiting a certain penalty from being passed on to ratepayers;  
15 authorizing the Commission to adopt certain regulations; defining a certain  
16 term; and generally relating to service quality and reliability standards for gas  
17 companies and electric companies.

18 BY adding to  
19 Article – Public Utilities  
20 Section 7–309  
21 Annotated Code of Maryland  
22 (2010 Replacement Volume)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
24 MARYLAND, That the Laws of Maryland read as follows:

25 **Article – Public Utilities**

26 **7–309.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1           **(A) IN THIS SECTION, "STANDARDS" MEANS THE SERVICE QUALITY AND**  
2 **RELIABILITY STANDARDS FOR GAS COMPANIES AND ELECTRIC COMPANIES**  
3 **ESTABLISHED BY THE COMMISSION UNDER THIS SECTION.**

4           **(B) REGULATIONS ADOPTED UNDER THIS SECTION MAY NOT APPLY TO**  
5 **ELECTRIC COOPERATIVES OR GAS COOPERATIVES.**

6           **(C) (1) THE COMMISSION SHALL BY REGULATION ESTABLISH**  
7 **SERVICE QUALITY AND RELIABILITY STANDARDS FOR GAS COMPANIES AND**  
8 **ELECTRIC COMPANIES GOVERNING THE DELIVERY OF GAS AND ELECTRICITY TO**  
9 **RETAIL CUSTOMERS.**

10           **(2) THE STANDARDS SHALL INCLUDE BENCHMARKS FOR:**

11                   **(I) SERVICE OUTAGES;**

12                   **(II) CUSTOMER SATISFACTION;**

13                   **(III) DISTRIBUTION AND TRANSMISSION FACILITY**  
14 **UPGRADES;**

15                   **(IV) REPAIRS AND MAINTENANCE;**

16                   **(V) STAFFING LEVELS;**

17                   **(VI) TELEPHONE SERVICE;**

18                   **(VII) BILLING SERVICE; AND**

19                   **(VIII) PUBLIC SAFETY.**

20           **(3) THE COMMISSION SHALL USE EXISTING NATIONAL**  
21 **STANDARDS TO THE EXTENT FEASIBLE.**

22           **(D) THE COMMISSION MAY REQUIRE EACH GAS COMPANY AND**  
23 **ELECTRIC COMPANY TO SUPPLY DATA TO ASSIST THE COMMISSION IN**  
24 **DEVELOPING AND MEASURING COMPLIANCE WITH THE STANDARDS.**

25           **(E) (1) EACH GAS COMPANY AND ELECTRIC COMPANY SHALL FILE AN**  
26 **ANNUAL REPORT WITH THE COMMISSION BY THE DATE REQUIRED BY THE**  
27 **COMMISSION.**

28           **(2) A REPORT FILED UNDER THIS SUBSECTION SHALL INCLUDE:**

1                   **(I) A COMPARISON OF THE GAS COMPANY'S OR ELECTRIC**  
2 **COMPANY'S PERFORMANCE IN THE PREVIOUS CALENDAR YEAR TO THE SERVICE**  
3 **QUALITY AND RELIABILITY STANDARDS;**

4                   **(II) A DESCRIPTION OF FUTURE ACTIONS AND PROJECTS**  
5 **PLANNED TO ENSURE COMPLIANCE WITH THE STANDARDS; AND**

6                   **(III) ANY SUPPORTING DATA REQUIRED BY THE**  
7 **COMMISSION.**

8           **(F) (1) THE COMMISSION MAY IMPOSE A PENALTY AGAINST A GAS**  
9 **COMPANY OR AN ELECTRIC COMPANY THAT FAILS TO MEET THE APPLICABLE**  
10 **SERVICE QUALITY AND RELIABILITY STANDARDS IN AN AMOUNT NOT**  
11 **EXCEEDING 10% OF THE GAS COMPANY'S OR ELECTRIC COMPANY'S**  
12 **TRANSMISSION AND DISTRIBUTION REVENUES FOR THE PREVIOUS CALENDAR**  
13 **YEAR.**

14                   **(2) A PENALTY IMPOSED UNDER PARAGRAPH (1) OF THIS**  
15 **SUBSECTION MAY NOT BE PASSED ON TO RATEPAYERS.**

16           **(G) THE COMMISSION MAY ADOPT REGULATIONS NECESSARY TO CARRY**  
17 **OUT THE PROVISIONS OF THIS SECTION, INCLUDING METHODS FOR GATHERING**  
18 **DATA.**

19           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20           October 1, 2011.